

## Mayor's Budget Message

To: Council, Citizens and Employees of the City of Elkton  
From: Nancy T. Camp, Mayor  
Date: May 19, 2014  
Subject: FY 2015 Budget Proposal and Message

The Kentucky Revises Statutes (KRS) set forth the requirements and certain guidelines for financial administration of the fiscal affairs of cities in the Commonwealth of Kentucky. KRS Chapters 91A.010 through 91A.060, 83A130(12), 83A.140(8) and 83A.150(5) specifically address the requirements of financial administration and fiscal responsibility.

This budget proposal and message is presented to you in compliance with these statutes. Also, this proposal is intended to address all requirements of any state or federal programs that the City may be participating in at this time.

### **Governmental Goals**

The major goal of the city is to continue to maintain the quality of needed services to the citizens of Elkton, while keeping the costs of these services as low as possible.

Much of the city's infrastructure, including water and sewer lines are getting old and in need of repairs.

The utility department continues to closely monitor the water loss in order to save money for future infrastructure repairs and to hold off future rate increases.

### **Important Features**

This budget proposal contains a 2% cost of living salary increase to all full-time and part-time employees and officials.

The water loss in the city has gone from about 35% to approximately 13% in recent years. For budget purposes, we are assuming the water loss will average 20% in FY 2015. Therefore, if water loss remains at 13% the water department will save about \$20,000 that is not reflected in the budget figures.

It is proposed that the city continue to support industrial recruitment and economic development in Elkton and Todd County with \$30,000 budgeted for these purposes.

The city will also make its annual contribution to the Recreation Commission for operation and maintenance of the City-County Park and sports programs. It is proposed to increase our annual contribution by \$2,000 to a total of \$17,000.

Revenue in the general fund is growing at a very slow pace and is cause for concern if growth continues at this pace in future years.

There are a few special projects proposed in this budget, including the following:

#### **Administration**

- No Special Projects or Purchases
- The budget proposal includes salaries for the Mayor and 6 City Council, 3 full-time City Hall staff, 1 part-time Welcome Center employee, 1 part-time zoning and code enforcement officer and 1 part-time janitor.

#### **Police Department**

- No Special Projects or Purchases
- The budget includes 7 full-time and 1 part-time police officers.

#### **Fire Department**

- The Fire Department paid off a loan to the Kentucky Fire Commission for a fire truck using State Fire Aid Funds. The department receives \$8,250 in State Aid funds and must be used on technical supplies, truck maintenance and equipment. Line items in those areas have been increased to cover those expenses now that the truck is paid off.
- Apply for grant funding to replace needed SCBA devices, radios and pagers.

#### **Street Department**

- Construction of the South Streets Avenue Sidewalk Project with \$178,000 in funding from the Transportation Cabinet and \$40,000 from the city's Revolving Fund.
- The city has committed \$6,000 for the Elk Fork Creek Cleanout Project awarded through Todd County Fiscal Court. In-kind labor will try to be used as much as possible.
- It is proposed to use Municipal Road Aid Funds of about \$35,000 to pave the parking lot in the City-County Park.
- It is also proposed to budget \$80,000 for resurfacing streets and \$10,000 for sidewalk repairs.
- It is proposed to put \$4,000 in the Municipal Road Aid budget for the purchase of a grader blade if council approves during the year.
- The budget proposal includes salaries for 1 part-time street cleaner and 1 part-time animal control officer.

### **Water and Sewer Departments**

- It is proposed to spend approximately \$12,000 on a hydraulic study of the water system to better understand future growth and needs in the city.
- A new truck for the water and sewer departments will be purchased at a cost not to exceed \$26,000.
- Debt service on the Water Line Separation and Goeble Avenue Line Replacement Project will begin this fiscal year at a cost of about \$21,000 per year over 20 years.
- The cost of supplies, pump repairs, valve replacement, and pump station repairs and maintenance continues to be an ongoing and increasing expense.
- It is proposed to spend \$60,000 to extend sewer along B. White Road.
- The budget proposal includes 4 full-time employees.

### **Proposed Changes**

There are no significant changes in appropriations to any department.

### **Changes in Fiscal Policy**

There are no significant changes in fiscal policy.

This proposal and explanations are presented for your consideration and it is my trust that you will find them both reasonable and workable.

Thank You!

Nancy T. Camp, Mayor